

## Special Revenue Funds - Consolidated

### DESCRIPTION OF MAJOR SERVICES

#### Chino Airport Commercial Hangars

The Department of Airports manages, maintains, and operates the Chino Airport Commercial Hangar complex. The Commercial Hangars were constructed in 1987 with proceeds from a 30-year bond issue. In addition to maintenance expenses, appropriation is budgeted annually for insurance costs and bond repayment. Appropriations for this budget unit are funded from rental revenues and available fund balance. There is no staffing associated with this budget unit. However, this budget unit reimburses staffing costs to the Airport's general fund budget unit.

#### Budget at a Glance

Total Expenditure Authority	\$6,784,727
Total Sources	\$3,274,877
Fund Balance	\$3,509,850
Total Staff	0

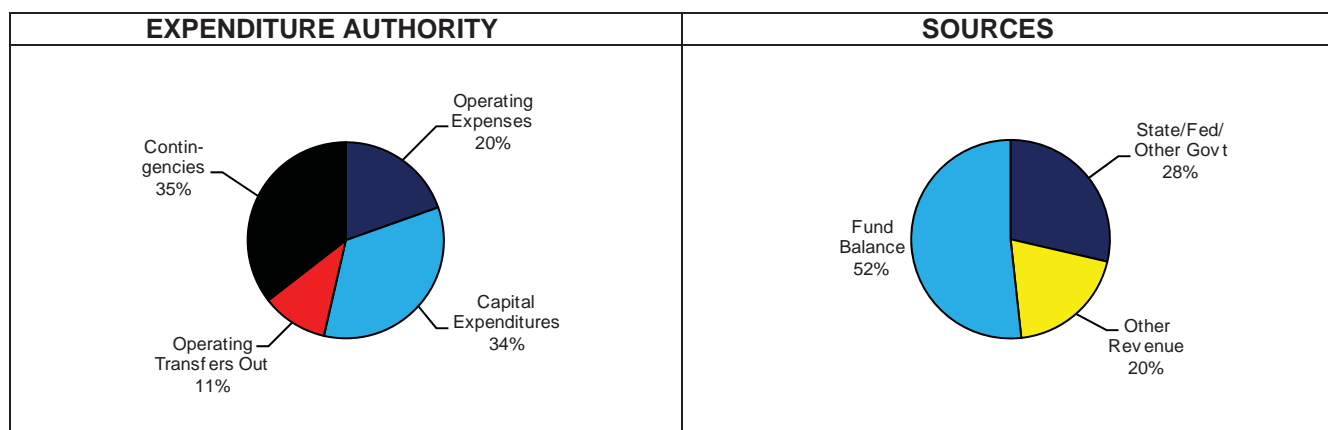
#### Chino Airport Incentive Fund

Established mid-year in 2007-08 to provide separate accountability for all costs and revenues related to the objective of attracting and retaining businesses at Chino Airport. This fund is anticipated to be fully expended in 2012-13, or have a small residual at fiscal year-end. There is no staffing associated with this budget unit.

#### Airports Capital Improvement Program

The Department of Airports manages a Capital Improvement Program (CIP) for Baker Airport, Barstow-Daggett Airport, Chino Airport, Needles Airport, and Twentynine Palms Airport. Projects funded in this budget unit include utility, storm water, and fire suppression plans, Airport Master Plans, Airport Layout Plans, construction and rehabilitation for numerous runways, taxiways, water systems, airport facilities, annual pavement maintenance, infrastructure and rehabilitation of reverted buildings. The capital projects for Apple Valley Airport (County Service Area 60) are budgeted in a separate budget unit in a separate budget book. All Capital Improvement Projects for all six airports that are administered by Architecture and Engineering are reported in the Capital Improvement Program section of this budget book.

### 2012-13 RECOMMENDED BUDGET



## ANALYSIS OF 2012-13 RECOMMENDED BUDGET

GROUP: Operations and Community Services  
 DEPARTMENT: Airports  
 FUND: Special Revenue Funds - Consolidated

BUDGET UNIT: Various  
 FUNCTION: Public Ways and Facilities  
 ACTIVITY: Public Ways

	2008-09 Actual	2009-10 Actual	2010-11 Actual	2011-12 Estimate	2011-12 Modified Budget	2012-13 Recommended Budget	Change From 2011-12 Modified Budget
<b>Appropriation</b>							
Staffing Expenses	0	0	0	0	0	0	0
Operating Expenses	899,752	1,331,273	1,700,659	1,332,728	2,807,165	1,326,849	(1,480,316)
Capital Expenditures	1,965,720	2,654,785	3,536,343	933,130	4,995,000	2,309,349	(2,685,651)
Contingencies	0	0	0	0	1,642,505	2,407,798	765,293
Total Exp Authority	2,865,472	3,986,058	5,237,002	2,265,858	9,444,670	6,043,996	(3,400,674)
Reimbursements	0	0	0	0	0	0	0
Total Appropriation	2,865,472	3,986,058	5,237,002	2,265,858	9,444,670	6,043,996	(3,400,674)
Operating Transfers Out	1,000	405,000	234,000	900,781	624,267	740,731	116,464
Total Requirements	2,866,472	4,391,058	5,471,002	3,166,639	10,068,937	6,784,727	(3,284,210)
<b>Departmental Revenue</b>							
Taxes	0	0	0	0	0	0	0
Realignment	0	0	0	0	0	0	0
State, Fed or Gov't Aid	119,526	947,950	4,201,216	914,480	4,315,375	1,942,750	(2,372,625)
Fee/Rate	961,533	0	4,536	0	0	0	0
Other Revenue	859,201	996,283	937,734	657,695	864,248	591,396	(272,852)
Total Revenue	1,940,260	1,944,233	5,143,486	1,572,175	5,179,623	2,534,146	(2,645,477)
Operating Transfers In	706,500	285,356	596,210	315,000	100,000	740,731	640,731
Total Financing Sources	2,646,760	2,229,589	5,739,696	1,887,175	5,279,623	3,274,877	(2,004,746)
Fund Balance					4,789,314	3,509,850	(1,279,464)
Budgeted Staffing					0	0	0

## BUDGET CHANGES AND OPERATIONAL IMPACT

**Consolidated Special Revenue Funds** are decreasing appropriation by a net \$3.3 million and reducing departmental revenue by \$2.0 million. This is due primarily to a restructuring of the capital improvement program (operating expenses and capital expenditures), with an emphasis placed upon planning and budgeting only for projects that can be reasonably undertaken during the fiscal period. A portion of the unprogrammed airport capital improvement fund is being utilized to satisfy the bond payment obligation for the Chino Airport Commercial Hangars for 2012-13 and subsequent years until the obligation is fully satisfied. The reduction of state/federal funding is the result of capital improvement program revenue budgeting to match projects for this fiscal year, and the reduction in other revenue is primarily due to non-payment of lease obligations by tenants at the Chino Commercial Hangar complex.

## DETAIL OF 2012-13 RECOMMENDED BUDGET

	2012-13			
	Appropriation	Revenue	Fund Balance	Staffing
<b>Special Revenue Funds</b>				
Chino Airport Commercial Hangars	1,219,101	1,219,101	0	0
Chino Airport Incentive Fund	107,748	105,026	2,722	0
Airports Capital Improvement Program	5,457,878	1,950,750	3,507,128	0
Total Special Revenue Funds	6,784,727	3,274,877	3,509,850	0



**Chino Airport Commercial Hangars** has \$1.2 million in appropriation for operating expenses, which primarily includes transfers of \$856,253 for the bond payment and services and supplies of \$133,221 for operations. Revenue of \$1.2 million is primarily from Rents and Concessions receipts from commercial tenants of \$583,396 with a transfer in from the airport capital improvement program fund (RAA-APT) of \$635,705 to fund current services. It should be noted that the Chino Airport Commercial Hangars, if fully occupied at the current market lease rate, will not generate adequate revenues to fully fund the operations, maintenance and bond obligation expenses through the bond payment period.

**Chino Airport Incentive Fund** has \$107,748 in appropriation in operating expenses for services and supplies which is primarily for the completion of the Chino Airport Master Plan contract. Revenue of \$105,026 is a transfer in from the airport capital improvement program reserve (RCD-APT) to fund current services. This fund is anticipated to be fully expended in 2012-13, or have a small residual at fiscal year-end.

**Airports Capital Improvement Program** has \$5.4 million in appropriation which includes \$2.3 million in capital expenditures for the installation of monitoring wells associated with the groundwater plume at Chino Airport for \$165,000, pavement rehabilitation project at Chino Airport for \$135,000, lighting improvement project at Barstow-Daggett Airport for \$1,858,228, and \$151,121 for the groundwater cleanup project administration costs at Chino Airport. Additionally, \$2.4 million are budgeted in contingencies to fund future airport capital improvement projects. Operating transfers out of \$740,731 will assist with funding the bond payment within the Chino Airport Commercial Hangars budget (\$635,705) and the Chino Airport Master Plan within the Chino Airport Incentive Fund (\$105,026). Revenue of \$1.9 million is primarily from State and Federal grants for the Barstow-Daggett lighting project.

